

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA	)	
	)	
v.	)	Criminal No.
	)	
JOHN T. KORSMO,	)	
	)	
Defendant	)	
	)	
	)	
	)	

INFORMATION

THE UNITED STATES CHARGES:

At all times relevant to this proceeding:

1. Defendant JOHN KORSMO was the Chairman of the Federal Housing Finance Board ("FHFB").
2. The FHFB is an independent regulatory agency in the Executive Branch of the United States, consisting of a five-member board located in Washington, DC. The FHFB regulates the twelve Federal Home Loan Banks, which help supply funds to lenders that finance loans for home mortgages.
3. "Candidate" was a candidate for the United States Congress in the November, 2002, election, and was a personal friend of defendant JOHN KORSMO.

The Candidate's Fundraising Event

4. In or about early September 2002, defendant JOHN KORSMO and his spouse offered to assist the Candidate's campaign with a fundraising event that would take place in Washington, DC, on October 1, 2002. Defendant's spouse informed the campaign that she

would provide invitation lists for the fundraising event, and defendant agreed that his name would appear on the invitation as the "Special Guest."

5. On or about September 10, 2002, defendant JOHN KORSMO requested that an FHFB employee forward him lists containing existing contact information for the twelve presidents of the Federal Home Loan Banks and others associated with the Federal Home Loan Bank system.

6. On September 10, 2002, in response to defendant JOHN KORSMO'S request, an FHFB employee sent a series of e-mail messages to defendant JOHN KORSMO attaching contact lists for the twelve presidents of the Federal Home Loan Banks and others associated with the Federal Home Loan Bank system.

7. On September 16, 2002, defendant JOHN KORSMO sent to his spouse's home e-mail account the Federal Home Loan Bank contact lists that defendant KORSMO had received from an FHFB employee. Later the same day, defendant's spouse forwarded to the Candidate's campaign the Federal Home Loan Bank contact lists that defendant JOHN KORSMO had sent to her home e-mail account.

8. Defendant JOHN KORSMO knew before the fundraising event that his spouse forwarded the Federal Home Loan Bank contact lists to the Candidate's campaign.

#### The Inquiries About The Fundraising Event

9. On October 9, 2002, and October 18, 2002, following media reports about the Candidate's fundraising event, Senator Paul Sarbanes, then Chairman of the Senate Banking, Housing and Urban Affairs Committee, which had official responsibility for oversight of the FHFB, sent two letters to defendant JOHN KORSMO inquiring whether defendant had given "any consideration to the propriety of conduct" in connection with the fundraiser. In particular,

Chairman Sarbanes asked defendant: "Did you or any member of the FHFB staff know or have any reason to believe that officials of any Home Loan Banks or its member institutions would be solicited using the invitations on which your name appeared as a 'special guest,'" and "Did you or FHFB staff provide any contact information for Home Loan Bank executives or its members to the Clayburgh campaign or any of its representatives"?"

10. On October 9, 2002, Chairman Sarbanes asked the Office of Inspector General for the FHFB to review defendant JOHN KORSMO'S participation in the Candidate's fundraising event. The FHFB Inspector General, which is responsible for conducting audits and investigations relating to the programs and operations of the FHFB, began an official investigation.

11. It was material to the review by the Senate Banking, Housing and Urban Affairs Committee and the investigation by the FHFB Inspector General to determine whether defendant JOHN KORSMO played any role in insuring that Federal Home Loan Bank Officials that he regulated were invited to the Candidate's fundraising events.

12. Between on or about October 30, 2002 and April 1, 2003, in the District of Columbia, in a matter within the jurisdiction of the executive and legislative branches of the United States, defendant JOHN KORSMO knowingly and willfully made and caused to be made materially false, fictitious, and fraudulent statements and representations as follows:

A. During the course of an official investigation being conducted by the FHFB Office of the Inspector General, and a review conducted pursuant to the authority of a Committee of the United States Senate, consistent with applicable rules of the Senate, on or about October 30, 2002, defendant JOHN KORSMO falsely stated the following, in writing:

FROM

(TUE) 3. 22' 05 10:06/ST. 10:05/NO. 4861219153 F 5

"I do not know how the [Candidate's] campaign or the event's hosts obtained contact information for the Home Loan Bank executives who were invited."

B. During the course of an official investigation being conducted by the FHFB Office of the Inspector General, on or about April 1, 2003, in the District of Columbia, defendant JOHN KORSMO was interviewed by an agent from the FHFB Office of the Inspector General and an agent with the Federal Bureau of Investigation. In his interview, defendant KORSMO falsely stated that he had no knowledge until December 2002 that his spouse forwarded the lists to anyone.

In truth and in fact, defendant KORSMO knew before the fundraising event that his spouse had forwarded the Federal Home Loan Bank contact lists to the Candidate's campaign.

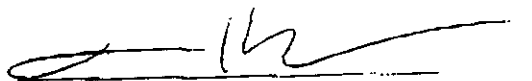
All in violation of 18 U.S.C. § 1001(a)(2) and (c)(2).

Dated:

3/21/05

NOEL L. HILLMAN  
Chief  
Public Integrity Section

By:

  
RAYMOND N. HULSER  
Deputy Chief  
DANIEL A. PETALAS  
Trial Attorney  
Public Integrity Section  
United States Department of Justice  
10th Street and Constitution Ave., NW  
Bond Building, 12th Floor  
Washington, DC 20530  
(202) 514-1412